

**THE
MANITOBA
MUNICIPAL
EMPLOYEE
BENEFITS
FUND**



**THIRD
ANNUAL REPORT**

For the year ended December 31, 1979

NOTICE TO PARTICIPANTS

Information about the Pension Plan and Group Insurance Plan is given in a blue and white brochure titled "Your Pension and Group Insurance Plans".

You are invited to ask the office of the Municipal Employees Benefits Board, at any time, for information about your membership in the Plans.

If you want to visit the Board Office, it would be appreciated if you would first telephone or write for an appointment so that we may get the information you want ready for your visit.

When communicating with the Board Office, please give:

1. Your name, and the name of your municipality.
2. The subject you want to discuss, so that you can be referred to the appropriate staff member.
3. The date of birth of your wife or husband, if you want estimates of retirement pensions that continue to your beneficiary after your death.

The telephone number of the Board is 233-8722 and the mailing address is:

Municipal Employees Benefits Board
200 - 400 Tache Avenue
(opposite St. Boniface Hospital)
Winnipeg, Manitoba
R2H 3C3

THIRD ANNUAL REPORT
OF THE
MUNICIPAL EMPLOYEES BENEFITS BOARD

To the Honourable Douglas Gourlay
Minister Responsible for The Municipal Act

We submit the Third Annual Report of the Municipal Employees Benefits Board for the year ended December 31, 1979.

Municipality and Employee Participation

A total of 185 municipalities plus 43 quasi-municipal organizations have elected to participate in the Pension Plan. This represents approximately 90% of all Manitoba municipalities. The participating municipalities which have contributing members are listed on the Statement of Pension Payments and Contributions of the Provincial Auditor's Report.

There were 283 employees who became members of the Pension Plan in 1979. As of December 31, 1979, there were 1,346 employees participating in the Pension Plan versus 1,236 employees participating as of December 31, 1978.

Pension Benefits

During the year covered by this Report, pensions paid totalled \$49,047, a net increase of \$28,782 over 1978. There were 44 pensioners and 4 beneficiaries receiving pensions as at December 31, 1979. During 1979, there were 17 employees who retired. These employees elected the following pension options:

Pension reducing to one-half at pensioner's death	2
Pension reducing to two-thirds at pensioner's death	3
15 Year Guarantee	2
Lifetime Pension	<u>10</u>
Total	<u>17</u>

Note: The majority of pensioners who elected the lifetime pension were either single or had small pensions due to short service.

There were also 2 employees who terminated during 1979 and chose vested pensions. As at December 31, 1979, there were 6 employees with vested pensions.

Refunds

During 1979, there were 163 employees who terminated and received cash refunds of contributions and interest amounting to \$151,627, whereas in 1978 there were 127 employees who terminated and received cash refunds of \$91,735.

In addition, there were miscellaneous refunds to employees and employers in 1979 of \$8,126 and in 1978 of \$10,188.

There were 5 employees who terminated in 1979 and elected deferred Manitoba reciprocating pensions based on their best 7 years earnings prior to retirement with their new Manitoba public sector employer. There was a total of 8 employees with deferred Manitoba reciprocating pensions as at December 31, 1979.

Recognition of Prior Employment with Manitoba Municipalities

During 1979, prior carriers retained and invested \$2,736,484 as funds deposited with investment managers in respect of contributions made to prior pension plans. This represents the majority of prior pension plan transfers and the few remaining transfers which are primarily in respect of municipalities which entered the program after the commencement date, are expected to be transferred shortly.

Also during 1979, the Municipal Employees Benefits Board received remittances for prior non-pensionable employment from 42 employees in the amount of \$78,021 and from employers for 11 employees totalling \$4,626.

Investments

A total of \$4,901,916 was invested in 1979 versus \$2,172,668 in 1978. Total investments as at December 31, 1979 amounted to \$8,132,148, compared to \$3,230,232 as at December 31, 1978.

Included above was a total of \$635,000 in short-term investments as at December 31, 1979. Part of the cash flow was temporarily diverted to short-term investments in anticipation of higher long-term interest rates. There was no penalty involved in this strategy as the interest earned on the short-term investments exceeded long-term bond rates. A detailed Summary of Investments appears on page 8 of this Report as part of the Provincial Auditor's Report.

An amount of \$20,331 was transferred to the Investment Reserve which brought the Investment Reserve to \$31,113 as at December 31, 1979.

Informational Seminars and Employee Benefit Statements

During 1979, informational seminars were conducted at 5 locations. Also, personalized detailed employee benefit statements indicating the expected pensions at ages 55, 60 and 65 assuming constant salaries in future plus a second statement assuming 6% salary increases in future were sent to municipalities in 1979 for distribution to their employees who are participating in the pension plan.

Group Life Insurance

A total of 151 municipalities plus 37 quasi-municipal organizations were participating in the Group Insurance Plan as at December 31, 1979. Insurance contributions for 1979 amounted to \$99,162 which consisted of employee contributions of \$55,107 and employer contributions of \$44,055.

There were 3 death claims during 1979 totalling \$29,000. In 1978 there were 5 death claims totalling \$131,000.

The Reserve stood at \$26,758 as at December 31, 1979 versus \$20,920 as at December 31, 1978.

Acknowledgements

The Board acknowledges with respect and appreciation Mr. J.S. Richmond's contribution to the Municipal Employees Benefits Board Program because of his dedication and experience. Mr. Richmond, C.A., served as Chairman of the Board from March 3, 1976 to March 7, 1979.

Board Meetings

During the period of this Report, the Board held five meetings plus several sub-committee meetings.

Attached Statements

We submit the Provincial Auditor's Report and Financial Statements for the year ended December 31, 1979.

Respectfully submitted,

THE MUNICIPAL EMPLOYEES BENEFITS BOARD

G.D. Forrest, Chairman

Members

A. Chapman

N. Wiebe

T. Clark

F. Woodmass



PROVINCE OF MANITOBA
PROVINCIAL AUDITOR

THE MUNICIPAL EMPLOYEE BENEFITS FUND

AUDITOR'S REPORT

I report that the accounts and financial statements of The Municipal Employee Benefits Fund have been examined under my direction for the fiscal year ended December 31, 1979. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, the financial statements, being Exhibits A to D and Schedules 1 and 2, together with the notes thereto, present fairly the financial position of The Municipal Employee Benefits Fund as at December 31, 1979 and the results of its operations for the year then ended. The financial statements were prepared on an accounting basis consistent with that of the preceding year and are in agreement with the books of the Fund.

W.K. Ziprick, C.A.,
Provincial Auditor.

May 26, 1980.
Winnipeg, Manitoba.

THE MUNICIPAL EMPLOYEE BENEFITS FUNDBalance Sheet

as at December 31, 1979

(with 1978 figures for comparison)

Exhibit AASSETSTHE PENSION FUND

	<u>1979</u>	<u>1978</u>		<u>1979</u>	<u>1978</u>
Cash in bank	\$ 272,149	\$ 137,573	Cheques outstanding	\$ 266,284	\$ 145,511
Employees' and employers' contributions receivable	152,092	164,791	Accounts payable and accrued liabilities	14,973	12,823
Due from The Insurance Fund	3,421	2,688	Refunds payable	23,063	23,068
Investments, at amortized cost, Schedule 1	8,132,148	3,230,232	Investment reserve, Exhibit D (Note 3)	31,113	10,782
Accrued interest on investments	25,258	18,888	Reserve for present and future pension benefits, Exhibit B	8,317,731	3,444,310
Deferred charges, less accumulated amortization (Note 2)	68,096	82,322			
	<u>\$8,653,164</u>	<u>\$3,636,494</u>		<u>\$8,653,164</u>	<u>\$3,636,494</u>

LIABILITIESTHE INSURANCE FUND

Cash in bank	\$ 39,503	\$ 29,595	Cheques outstanding	\$ 8,564	\$ 6,731
Employees' and employers' contributions receivable	1,002	2,240	Due to The Pension Fund	\$ 3,421	2,688
Prepaid insurance premiums	-	266	Accounts payable	2,139	2,025
Accrued bank interest	377	263	Reserve for present and future insurance benefits, Exhibit C	26,758	20,920
	<u>\$ 40,882</u>	<u>\$ 32,364</u>		<u>\$ 40,882</u>	<u>\$ 32,364</u>
	<u>\$8,694,046</u>	<u>\$3,668,858</u>		<u>\$8,694,046</u>	<u>\$3,668,858</u>

Exhibit B

THE MUNICIPAL EMPLOYEE BENEFITS FUND
Statement of Reserve for Present and Future Pension Benefits
for the year ended December 31, 1979
(with 1978 figures for comparison)

	<u>1979</u>	<u>1978</u>
Additions during the year:		
Pension payments and contributions; Schedule 2:		
Employers' payments and contributions:		
Contributions based on employees' remuneration	\$ 860,336	\$ 729,123
Payments based on prior non-pensionable employment	4,626	37,771
Employees' payments and contributions:		
Contributions based on remuneration	860,336	729,123
Payments based on prior non-pensionable employment	78,021	184,202
Transfers from prior carriers (Note 5)	2,736,484	484,621
Total payments and contributions	<u>4,539,803</u>	<u>2,164,840</u>
Investment income:		
Interest	175,605	108,442
Amortization of discount	325	125
Funds on deposit with Insurance and Trust Companies	483,837	82,640
Transfer to investment reserve, Exhibit D (Note 3)	(20,331)	(8,075)
Total investment income	<u>639,436</u>	<u>183,132</u>
Total additions	<u>5,179,239</u>	<u>2,347,972</u>
Deductions during the year:		
Pension payments	49,047	20,265
Refund of employees' contributions including interest	159,753	101,923
Refund of deceased employees' contributions including interest	1,373	7,562
Refund of unused portion of deceased pensioners' contributions together with interest	4,824	-
General expenses (Note 1)	36,952	31,600
Actuarial fees	19,822	16,353
Amortization of deferred charges (Note 2)	34,047	27,440
Total deductions	<u>305,818</u>	<u>205,143</u>
Net increase for the year	4,873,421	2,142,829
Balance at beginning of year	3,444,310	1,301,481
Balance at end of year, Exhibit A	<u>\$8,317,731</u>	<u>\$3,444,310</u>

Exhibit C

THE MUNICIPAL EMPLOYEE BENEFITS FUND
Statement of Reserve for Present and Future Insurance Benefits
for the year ended December 31, 1979
(with 1978 figures for comparison)

	<u>1979</u>	<u>1978</u>
Additions during the year:		
Insurance contributions:		
Employees	\$ 55,107	\$50,046
Employers	<u>44,055</u>	<u>41,230</u>
Total contributions	99,162	91,276
Bank interest	<u>3,771</u>	<u>1,907</u>
Total additions	<u>102,933</u>	<u>93,183</u>
Deductions during the year:		
Actuarial fees	1,882	2,688
Premium to The Prudential Assurance Company Limited	<u>95,213</u>	<u>79,899</u>
Total deductions	<u>97,095</u>	<u>82,587</u>
Net increase for the year	5,838	10,596
Balance at beginning of year	<u>20,920</u>	<u>10,324</u>
Balance at end of year, Exhibit A	<u>\$ 26,758</u>	<u>\$20,920</u>

Exhibit D

THE MUNICIPAL EMPLOYEE BENEFITS FUND
Statement of Investment Reserve
for the year ended December 31, 1979
(with 1978 figures for comparison)

	<u>1979</u>	<u>1978</u>
Balance, beginning of year	\$10,782	\$ 2,644
Profit from sale of bond	-	63
Transfer from income, Exhibit B (Note 3)	<u>20,331</u>	<u>8,075</u>
Balance, end of year, Exhibit A	<u>\$31,113</u>	<u>\$10,782</u>

Schedule 1

THE MUNICIPAL EMPLOYEE BENEFITS FUND**Summary of Investments
as at December 31, 1979**

	Interest Rate %	Maturity Date	Par Value	Book Value
Bonds and Debentures:				
Municipal Debentures:				
City of Brandon	10 3/8	Dec. 1, 1989-93	\$ 50,000	\$ 50,000
City of Brandon	9 3/4	Dec. 1, 1988-91	100,000	100,000
City of Brandon	10	Dec. 1, 1988	25,000	25,000
City of Winnipeg	9 3/4	Feb. 1, 1998	100,000	100,000
Municipal Finance Authority of B.C.	12 1/4	Dec. 6, 1999	50,000	50,000
Town of Russell	9 7/8	Dec. 31, 1988-97	59,000	59,000
Corporate Bonds and Debentures:				
B.C. Telephone Co.	10 1/4	Apr. 1, 1995	150,000	150,000
Canada Cement Lafarge Ltd.	9 3/4	Dec. 15, 1997	200,000	200,000
Dominion Stores Ltd.	9 3/4	July 15, 1997	100,000	100,000
F.W. Woolworth Co. Limited	10	Jan. 31, 2003	25,000	25,000
Woodward Stores Limited	9 7/8	Aug. 1, 1997	25,000	25,000
T. Eaton Acceptance Co. Ltd.	11	Sept. 15, 1999	100,000	94,075
			<u>\$984,000</u>	<u>978,075</u>
Funds Invested with the Minister of Finance			<u>\$635,000</u>	635,000
N.H.A. Mortgages:				
Canada Life Mortgage Services Ltd.	10 3/4		<u>\$381,256</u>	381,256
Funds deposited with Insurance and Trust Companies (Note 5)				<u>6,137,817</u>
Total Investments, Exhibit A				<u><u>\$8,132,148</u></u>

Schedule 2**THE MUNICIPAL EMPLOYEE BENEFITS FUND****Statement of Pension Payments and Contributions
for the year ended December 31, 1979**

Municipal Corporations	Employers' payments and contributions	Employees' payments and contributions	Total
Albert, R.M.	\$ 430	\$ 430	\$ 860
Alexander, L.G.D.	1,853	1,853	3,706
Alonsa, L.G.D.	329	329	658
Altona, Town	8,836	8,836	17,672
Arborg, Village	1,800	1,800	3,600
Argyle, R.M.	2,324	2,324	4,648
Armstrong, L.G.D.	509	509	1,018
Arthur, R.M.	2,027	2,027	4,054
Beausejour, Town	3,962	3,962	7,924
Benito, Village	774	774	1,548
Bifrost, R.M.	2,985	2,985	5,970
Birtle, R.M.	2,040	2,040	4,080
Birtle, Town	1,561	1,561	3,122
Blanshard, R.M.	308	308	616
Boissevain, Town	3,339	3,339	6,678
Boulton, R.M.	502	502	1,004
Brandon, City	176,038	176,038	352,076
Brenda, R.M.	3,427	3,427	6,854
Brokenhead, R.M.	2,861	2,861	5,722
Cameron, R.M.	2,081	2,081	4,162
Carberry, Town	2,503	2,503	5,006
Carman, Town	3,370	3,370	6,740
Cartier, R.M.	3,681	3,681	7,362
Cartwright, Village	523	523	1,046
Churchill, L.G.D.	20,679	20,679	41,358
Coldwell, R.M.	1,189	1,189	2,378
Consol, L.G.D.	576	576	1,152
Cornwallis, R.M.	943	943	1,886
Crystal City, Village	499	499	998
Daly, R.M.	484	484	968
Dauphin, R.M.	3,569	3,569	7,138
Dauphin, Town	23,137	23,137	46,274
Deloraine, Town	424	424	848
De Salaberry, R.M.	4,512	4,512	9,024
Dufferin, R.M.	3,954	3,954	7,908
Dunnotar, Village	2,739	2,739	5,478
East St. Paul, R.M.	7,542	7,542	15,084
Edward, R.M.	2,730	2,730	5,460
Ellice, R.M.	422	422	844
Subtotal, carried forward	<u>\$301,462</u>	<u>\$301,462</u>	<u>\$602,924</u>

Schedule 2
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THE MUNICIPAL EMPLOYEE BENEFITS FUND

Statement of Pension Payments and Contributions
for the year ended December 31, 1979

Municipal Corporations	Employers' payments and contributions	Employees' payments and contributions	Total
Subtotal, brought forward	\$301,462	\$301,462	\$602,924
Elton, R.M.	2,096	2,096	4,192
Emerson, Town	1,815	1,815	3,630
Eriksdale, R.M.	1,126	1,126	2,252
Flin Flon, City	29,145	29,145	58,290
Franklin, R.M.	5,064	5,064	10,128
Gilbert Plains, R.M.	3,187	3,187	6,374
Gilbert Plains, Village	1,334	1,334	2,668
Gillam, L.G.D.	19,578	19,578	39,156
Gimli, R.M.	4,347	4,347	8,694
Gimli, Town	3,142	3,142	6,284
Gladstone, Town	1,319	1,319	2,638
Glenboro, Village	690	690	1,380
Glenella, R.M.	681	681	1,362
Glenwood, R.M.	1,266	1,266	2,532
Grahamdale, L.G.D.	98	98	196
Grandview, R.M.	495	495	990
Grandview, Town	2,870	2,870	5,740
Grand Rapids, L.G.D.	1,734	1,734	3,468
Gretna, Village	1,018	1,018	2,036
Grey, R.M.	3,948	3,948	7,896
Hamiota, R.M.	1,675	1,675	3,350
Hamiota, Village	1,138	1,138	2,276
Hanover, R.M.	4,724	4,724	9,448
Harrison, R.M.	1,437	1,437	2,874
Hillsburg, R.M.	1,539	1,539	3,078
Killarney, Town	3,176	3,176	6,352
La Broquerie, R.M.	1,567	1,567	3,134
Lac du Bonnet, R.M.	4,594	4,594	9,188
Lac du Bonnet, Village	1,420	1,420	2,840
Lakeview, R.M.	900	900	1,800
Langford, R.M.	2,266	2,266	4,532
Lansdowne, R.M.	1,855	1,855	3,710
Lawrence, R.M.	137	137	274
Lorne, R.M.	4,528	4,528	9,056
Louise, R.M.	3,072	3,072	6,144
Macdonald, R.M.	8,583	8,583	17,166
MacGregor, Village	388	388	776
Manitou, Village	647	647	1,294
McCreary, Village	378	378	756
McCreary, R.M.	400	400	800
Melita, Town	1,420	1,420	2,840
Subtotal, carried forward	\$432,259	\$432,259	\$864,518

Schedule 2
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THE MUNICIPAL EMPLOYEE BENEFITS FUND
Statement of Pension Payments and Contributions
for the year ended December 31, 1979

Municipal corporations	Employers' payments and contributions	Employees' payments and contributions	Total
Subtotal, brought forward	\$432,259	\$432,259	\$ 864,518
Miniota, R.M.	2,794	2,794	5,588
Minitonas, R.M.	3,524	3,524	7,048
Minitonas, Village	502	502	1,004
Minnedosa, Town	6,641	6,641	13,282
Minto, R.M.	1,281	1,281	2,562
Montcalm, R.M.	4,217	4,217	8,434
Morden, Town	5,944	5,944	11,888
Morris, R.M.	9,022	9,022	18,044
Morris, Town	2,030	2,030	4,060
Morton, R.M.	1,393	1,393	2,786
Mossey River, R.M.	623	623	1,246
Mystery Lake, L.G.D.	6,434	6,434	12,868
Neepawa, Town	9,391	9,391	18,782
Niverville, Village	617	617	1,234
North Cypress, R.M.	3,175	3,175	6,350
North Norfolk, R.M.	4,881	4,881	9,762
Oak Lake, Town	138	138	276
Ochre River, R.M.	965	965	1,930
Odanah, R.M.	881	881	1,762
Park, L.G.D.	162	162	324
Pembina, R.M.	4,006	4,006	8,012
Pinawa, L.G.D.	6,794	6,794	13,588
Pipestone, R.M.	5,293	5,293	10,586
Plum Coulee, Village	763	763	1,526
Portage la Prairie, R.M.	5,825	5,825	11,650
Portage la Prairie, City	39,817	39,817	79,634
Powerview, Village	449	449	898
Rhineland, R.M.	6,451	6,451	12,902
Ritchot, R.M.	3,867	3,867	7,734
Rivers, Town	1,834	1,834	3,668
Riverton, Village	359	359	718
Roblin, R.M.	2,466	2,466	4,932
Roblin, Town	1,217	1,217	2,434
Rockwood, R.M.	5,398	5,398	10,796
Roland, R.M.	1,572	1,572	3,144
Rosedale, R.M.	3,002	3,002	6,004
Rosser, R.M.	623	623	1,246
Russell, R.M.	428	428	856
Russell, Town	2,729	2,729	5,458
St. Andrews, R.M.	7,018	7,018	14,036
St. Anne, R.M.	1,968	1,968	3,936
St. Anne, Village	1,484	1,484	2,968
Subtotal, carried forward	\$600,237	\$600,237	\$1,200,474

Schedule 2

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THE MUNICIPAL EMPLOYEE BENEFITS FUND**Statement of Pension Payments and Contributions****for the year ended December 31, 1979**

Municipal corporations	Employers' payments and contributions	Employees' payments and contributions	Total
Subtotal, brought forward	\$600,237	\$600,237	\$1,200,474
St. Claude, Village	1,310	1,310	2,620
St. Clements, R.M.	5,631	5,631	11,262
St. Francois Xavier, R.M.	809	809	1,618
St. Laurent, R.M.	1,384	1,384	2,768
St. Lazare, Village	224	224	448
St. Pierre Jolys, Village	547	547	1,094
Ste. Rose, R.M.	674	674	1,348
Ste. Rose du Lac, Village	1,643	1,643	3,286
Saskatchewan, R.M.	1,506	1,506	3,012
Selkirk, Town	30,121	30,121	60,242
Shellmouth, R.M.	1,216	1,216	2,432
Shell River, R.M.	2,410	2,410	4,820
Shoal Lake, R.M.	581	581	1,162
Shoal Lake, Village	1,622	1,622	3,244
Sifton, R.M.	1,621	1,621	3,242
Siglunes, R.M.	1,104	1,104	2,208
Silver Creek, R.M.	1,984	1,984	3,968
Snow Lake, Town	2,935	2,935	5,870
Somerset, Village	1,129	1,129	2,258
Souris, Town	4,490	4,490	8,980
South Cypress, R.M.	1,703	1,703	3,406
South Norfolk, R.M.	1,757	1,757	3,514
Springfield, R.M.	3,378	3,378	6,756
Stanley, R.M.	6,140	6,140	12,280
Steinbach, Town	17,939	17,939	35,878
Stonewall, Town	2,740	2,740	5,480
Strathclair, R.M.	203	203	406
Strathcona, R.M.	626	626	1,252
Swan River, R.M.	4,244	4,244	8,488
Swan River, Town	6,396	6,396	12,792
Tache, R.M.	4,082	4,082	8,164
Teulon, Village	1,197	1,197	2,394
The Pas, Town	10,747	10,747	21,494
Thompson, City	53,997	53,997	107,994
Thompson, R.M.	3,632	3,632	7,264
Treherne, Village	101	101	202
Turtle Mountain, R.M.	2,660	2,660	5,320
Victoria, R.M.	2,076	2,076	4,152
Victoria Beach, R.M.	2,080	2,080	4,160
Subtotal, carried forward	<u>\$788,876</u>	<u>\$788,876</u>	<u>\$1,577,752</u>

Schedule 2
Page 5**THE MUNICIPAL EMPLOYEE BENEFITS FUND**
Statement of Pension Payments and Contributions
for the year ended December 31, 1979

<u>Municipal corporations</u>	<u>Employers'</u> <u>payments and</u> <u>contributions</u>	<u>Employees'</u> <u>payments and</u> <u>contributions</u>	<u>Total</u>
Subtotal, brought forward	\$788,876	\$788,876	\$1,577,752
Virden, Town	4,966	4,966	9,932
Wallace, R.M.	1,939	1,939	3,878
Waskada, Village	281	281	562
Westbourne, R.M.	2,347	2,347	4,694
West St. Paul, R.M.	3,414	3,414	6,828
Whitehead, R.M.	593	593	1,186
Whitemouth, R.M.	2,249	2,249	4,498
Whitewater, R.M.	1,554	1,554	3,108
Winchester, R.M.	3,274	3,274	6,548
Winkler, Town	4,563	4,563	9,126
Winnipeg, Beach, Town	2,281	2,281	4,562
Winnipegosis, Village	2,024	2,024	4,048
Woodlands, R.M.	1,738	1,738	3,476
Woodworth, R.M.	2,759	2,759	5,518
Totals	<u>\$822,858</u>	<u>\$822,858</u>	<u>\$1,645,716</u>

Schedule 2
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THE MUNICIPAL EMPLOYEE BENEFITS FUND
Statement of Pension Payments and Contributions
for the year ended December 31, 1979

<u>Quasi-Municipal Organizations</u>	<u>Employers' payments and contributions</u>	<u>Employees' payments and contributions</u>	<u>Total</u>
<u>Weed Control Districts</u>			
Agassiz	\$ 623	\$ 623	\$ 1,246
Archie and Wallace	593	593	1,186
Argyle-Lorne-Somerset	533	533	1,066
Arthur-Edward	459	459	918
Boissevain-Morton-Whitewater	231	231	462
Brenda-Winchester	484	484	968
Gilbert Plains-Grandview	426	426	852
Interlake	462	462	924
Louise-Roblin	451	451	902
Macdonald	683	683	1,366
North Norfolk and District	593	593	1,186
North Cypress	605	605	1,210
Oakland-South Cypress	416	416	832
Pembina-Manitou	154	154	308
Pipestone-Albert	533	533	1,066
Rosedale-Langford-Neepawa	500	500	1,000
Selkirk and District	593	593	1,186
Springfield-Tache	587	587	1,174
	<u>8,926</u>	<u>8,926</u>	<u>17,852</u>
<u>Other</u>			
Boyne Regional Library	341	341	682
Brokenhead River Planning District	398	398	796
City of Brandon Parks Board	1,450	1,450	2,900
Carberry Plains Cemetery	59	59	118
Carberry Plains Community Centre Bd.	59	59	118
Unincorporated Village District of Cranberry Portage	803	803	1,606
Cypress Planning District	165	165	330
Flin Flon Recreation Commission	6,647	6,647	13,294
Gilbert Plains Recreation Comm.	121	121	242
Hamiota Municipal Park Inc.	475	475	950
Man. Assoc. of Urban Municipalities	1,362	1,362	2,724
Minnedosa Regional Library	384	384	768
Morden-Stanley-Winkler Planning Dist.	857	857	1,714
N.C.C.E. Recreation District	506	506	1,012
Selkirk and District Planning Area Board	3,436	3,436	6,872
Subtotal, carried forward	<u>\$25,989</u>	<u>\$25,989</u>	<u>\$51,978</u>

Schedule 2
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THE MUNICIPAL EMPLOYEE BENEFITS FUND
Statement of Pension Payments and Contributions
for the year ended December 31, 1979

<u>Quasi-Municipal Organizations</u>	<u>Employers' payments and contributions</u>	<u>Employees' payments and contributions</u>	<u>Total</u>
Subtotal, brought forward	\$ 25,989	\$ 25,989	\$ 51,978
South Interlake Planning District Board	288	288	576
Union of Manitoba Municipalities	768	768	1,536
Western Manitoba Centennial Aud.	2,191	2,191	4,382
Western Manitoba Regional Library Board	3,285	3,285	6,570
Whitemud-Watershed Conservation District #1	4,957	4,957	9,914
	<u>37,478</u>	<u>37,478</u>	<u>74,956</u>
	860,336	860,336	1,720,672
Contributions based on prior non- pensionable employment	4,626	78,021	82,647
	<u>\$864,962</u>	<u>\$938,357</u>	<u>\$1,803,319</u>
Transfers from prior carriers			<u>2,736,484</u>
Total payments and contributions, Exhibit B			<u>\$4,539,803</u>

THE MUNICIPAL EMPLOYEE BENEFITS FUND**Notes to the Financial Statements
for the year ended December 31, 1979****1. Administrative Services:**

The Municipal Employees Benefits Board entered into an agreement with The Civil Service Superannuation Board to provide administrative services to The Municipal Employees Benefits Board with regard to its pension plan and group insurance plan operations. In accordance with the terms of the agreement, The Municipal Employees Benefits Board reimburses The Civil Service Superannuation Board for the cost of these services. During the year under review, the administrative services reimbursement amounted to \$23,000 (1978 — \$17,125).

2. Deferred Charges:

Deferred charges of \$68,096 reflect the unamortized balance of organizational and other charges which have been capitalized. During the year under review, the Board approved the capitalization of \$19,822 representing one-half of the Actuary's pension consulting fees for 1979 relating to transfer of benefits under prior plans. The deferred charges are being amortized on a straight line basis terminating in 1981. As at December 31, 1979, an amount of \$84,840 has been amortized (1978 — \$50,793).

3. Investment Reserve:

The Investment Reserve, shown in the Balance Sheet, does not reflect a valuation of the investments, but is maintained to stabilize and even out the investment income.

The investment income measurement policies consist of:

Mortgage discounts are amortized on a straight line basis over the period remaining to the date a mortgage is due for renewal.

Investment income is reduced annually by 1/4 of 1% of the book value of the investments to a maximum of the reserve not exceeding 3% of the book value of the investments and the amount of the reduction is credited to the Investment Reserve.

Differences between amounts realized from the maturity, redemption, or sale of investments and their book value are reflected in the Reserve.

4. Actuarial Report:

The financial statements do not take into account actuarial valuations and therefore do not reflect the financial position of the Fund on an actuarial valuation basis. In accordance with The Municipal Act, an actuarial valuation and report is required every three years. The first actuarial valuation and report since the Fund commenced operations will be as at January 1, 1980. This report is not yet complete.

THE MUNICIPAL EMPLOYEE BENEFITS FUND**Notes to the Financial Statements
for the year ended December 31, 1979****5. Transfers From Prior Carriers:**

The Municipal Employees Benefits Board's actuary has been arranging, on behalf of the Board, for the transfer of funds pertaining to municipal employees prior service from prior carriers for employees who have agreed to have these funds transferred to the Fund. As at December 31, 1979, transfers have been made amounting to \$3,221,105 (1978 — \$484,621). The actuary has stated that only an insignificant amount remains to be transferred.

The funds transferred remain with prior carriers who are holding them in trust for the Fund in accordance with the terms of the contracts. These contracts provide that the Fund, with minor restrictions, can take complete control of the funds with the following exceptions: one contract may not be terminated until April 1, 1988; one contract reserves the right to limit withdrawals of funds to 25% in any one year of the funds on deposit; and two contracts provide for penalties commencing at 5% and reducing progressively until eliminated by 1986 and 1991.

These funds are included in Schedule 1 as part of Funds Deposited with Insurance and Trust Companies. As a result of the transfers, the Board assumes responsibility for the related pension liabilities.

